

CITY OF EAU CLAIRE

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET ASSETS OF GOVERNMENTAL ACTIVITIES December 31, 2005

Total fund balance - governmental funds	\$	46,693,059
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in government activities are not financial resources and therefore are not reported in the fund statements. Capital assets at year end (excluding internal service funds) consist of:

Capital assets	\$ 164,626,867	
Accumulated depreciation	<u>(57,909,066)</u>	106,717,801

Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences:

Premium on debt		(184,489)
Debt issuance costs on debt		<u>174,979</u>

Receivables that may be uncollectible are recorded in deferred revenue on the fund statements and do not require an allowance. On the government-wide statements an allowance for uncollectible accounts is necessary to offset the revenue that was recognized when earned on the government-wide statements.

(397,647)

Special assessments, loans receivable, and various other receivables are reported as deferred revenue in the fund financial statements and are recognized as revenue when earned in the government-wide financial statements.

These types of deferred revenues at year end consist of:

Delinquent personal property taxes receivable	122,129	
Accounts receivable	859,125	
Loan receivable	6,006,153	
Interest on special assessments	317,419	
Special assessments receivable	7,004,350	
Grants receivable	<u>630,842</u>	14,940,018

Internal service funds are used by management to charge the costs of risk management and central equipment to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.

24,737,510

Long-term liabilities, including bonds and notes payable, are not due in the current period and therefore are not reported in the fund statements.

Long-term liabilities at year end consist of:

General obligation debt	49,100,838	
Vested compensated absences	2,102,892	
Police and fire pension liability	737,461	
Unfunded pension liability	9,032,760	
Duty disability liability	3,830,026	
Accrued interest on general obligation debt	<u>549,261</u>	(65,353,238)

Total net assets - governmental activities	\$	<u>127,327,993</u>
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See accompanying notes to financial statements.